

AMENDED IN SENATE APRIL 16, 2012

AMENDED IN SENATE MARCH 26, 2012

SENATE BILL

No. 1058

Introduced by Senator Lieu

February 13, 2012

An act to amend Sections 1502 and 2117 of, to add Chapter 22.5 (commencing with Section 2280) to Division 1 of Title 1 of, and to repeal Section 1502.5 of, the Corporations Code, relating to the Victims of Corporate Fraud Compensation Fund.

LEGISLATIVE COUNSEL'S DIGEST

SB 1058, as amended, Lieu. Victims of Corporate Fraud Compensation Fund.

Existing law establishes the Victims of Corporate Fraud Compensation Fund, a continuously appropriated fund, within the State Treasury administered by the Secretary of State, the sole purpose of which is to provide restitution to victims of corporate fraud. Existing law requires the Secretary of State to adopt regulations regarding the administration of the fund and the eligibility of those victims to receive that restitution.

This bill would revise and recast those provisions, including eliminating the requirement that the Secretary of State adopt those regulations. The bill would provide that an aggrieved person who obtains a final judgment, as specified, against a corporation based upon the corporation's fraud, misrepresentation, or deceit, made with intent to defraud, may file an application with the Secretary of State for payment from the fund for the amount unpaid on the judgment that represents an actual and direct loss to the claimant in the transaction. The bill would limit the amount to be paid from the fund for any one action by a corporation to \$20,000, with respect to applications filed before

January 1, 2013, and \$50,000, with respect to applications filed on or after January 1, 2013.

This bill would require a claimant to apply for restitution on a form prescribed by the Secretary of State including specified information and representations. The bill would establish procedures for the Secretary of State in determining whether a claim shall be paid, including giving written notice to the claimant and the corporation, as specified. *The bill would prescribe procedures for judicial review of a denied claim.* The bill would make it a crime to file a document under these provisions that is false or contains willful, material misstatements. The bill would make conforming changes.

Because this bill would create new crimes, the bill would create a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1502 of the Corporations Code is
- 2 amended to read:
- 3 1502. (a) Every corporation shall file, within 90 days after the
- 4 filing of its original articles and annually thereafter during the
- 5 applicable filing period, on a form prescribed by the Secretary of
- 6 State, a statement containing all of the following:
- 7 (1) The name of the corporation and the Secretary of State's
- 8 file number.
- 9 (2) The names and complete business or residence addresses of
- 10 its incumbent directors.
- 11 (3) The number of vacancies on the board, if any.
- 12 (4) The names and complete business or residence addresses of
- 13 its chief executive officer, secretary, and chief financial officer.
- 14 (5) The street address of its principal executive office.
- 15 (6) The mailing address of the corporation, if different from the
- 16 street address of its principal executive office.

1 (7) If the address of its principal executive office is not in this
2 state, the street address of its principal business office in this state,
3 if any.

4 (8) If the corporation chooses to receive renewal notices and
5 any other notifications from the Secretary of State by electronic
6 mail instead of by United States mail, the corporation shall include
7 a valid electronic mail address for the corporation or for the
8 corporation's designee to receive those notices.

9 (9) A statement of the general type of business that constitutes
10 the principal business activity of the corporation (for example,
11 manufacturer of aircraft; wholesale liquor distributor; or retail
12 department store).

13 (b) The statement required by subdivision (a) shall also
14 designate, as the agent of the corporation for the purpose of service
15 of process, a natural person residing in this state or a corporation
16 that has complied with Section 1505 and whose capacity to act as
17 an agent has not terminated. If a natural person is designated, the
18 statement shall set forth that person's complete business or
19 residence street address. If a corporate agent is designated, no
20 address for it shall be set forth.

21 (c) If there has been no change in the information in the last
22 filed statement of the corporation on file in the Secretary of State's
23 office, the corporation may, in lieu of filing the statement required
24 by subdivisions (a) and (b), advise the Secretary of State, on a
25 form prescribed by the Secretary of State, that no changes in the
26 required information have occurred during the applicable filing
27 period.

28 (d) For the purposes of this section, the applicable filing period
29 for a corporation shall be the calendar month during which its
30 original articles were filed and the immediately preceding five
31 calendar months. The Secretary of State shall provide a notice to
32 each corporation to comply with this section approximately three
33 months prior to the close of the applicable filing period. The notice
34 shall state the due date for compliance and shall be sent to the last
35 address of the corporation according to the records of the Secretary
36 of State or to the last electronic mail address according to the
37 records of the Secretary of the State if the corporation has elected
38 to receive notices from the Secretary of State by electronic mail.
39 The failure of the corporation to receive the notice is not an excuse
40 for failure to comply with this section.

(e) Whenever any of the information required by subdivision (a) is changed, the corporation may file a current statement containing all the information required by subdivisions (a) and (b). In order to change its agent for service of process or the address of the agent, the corporation must file a current statement containing all the information required by subdivisions (a) and (b). Whenever any statement is filed pursuant to this section, it supersedes any previously filed statement and the statement in the articles as to the agent for service of process and the address of the agent.

(f) The Secretary of State may destroy or otherwise dispose of any statement filed pursuant to this section after it has been superseded by the filing of a new statement.

(g) This section shall not be construed to place any person dealing with the corporation on notice of, or under any duty to inquire about, the existence or content of a statement filed pursuant to this section.

(h) The statement required by subdivision (a) shall be available and open to the public for inspection. The Secretary of State shall provide access to all information contained in this statement by means of an online database.

(i) In addition to any other fees required, a corporation shall pay a five-dollar (\$5) disclosure fee when filing the statement required by subdivision (a). One-half of the fee shall be utilized to further the provisions of this section, including the development and maintenance of the online database required by subdivision (h), and one-half shall be deposited into the Victims of Corporate Fraud Compensation Fund established in Section 2280.

(j) A corporation shall certify that the information it provides pursuant to subdivisions (a) and (b) is true and correct. No claim may be made against the state for inaccurate information contained in the statements.

SEC. 2. Section 1502.5 of the Corporations Code is repealed.

SEC. 3. Section 2117 of the Corporations Code is amended to read:

2117. (a) Every foreign corporation (other than a foreign association) qualified to transact intrastate business shall file, within 90 days after the filing of its original statement and designation of foreign corporation and annually thereafter during

1 the applicable filing period, on a form prescribed by the Secretary
2 of State, a statement containing the following:

3 (1) The name of the corporation as registered in California and
4 the California Secretary of State's file number.

5 (2) The names and complete business or residence addresses of
6 its chief executive officer, secretary, and chief financial officer.

7 (3) The street address of its principal executive office.

8 (4) The mailing address of the corporation, if different from the
9 street address of its principal executive office.

10 (5) The street address of its principal business office in this
11 state, if any.

12 (6) If the corporation chooses to receive renewal notices and
13 any other notifications from the Secretary of State by electronic
14 mail instead of by United States mail, the corporation shall include
15 a valid electronic mail address for the corporation or for the
16 corporation's designee to receive those notices.

17 (7) A statement of the general type of business that constitutes
18 the principal business activity of the corporation (for example,
19 manufacturer of aircraft; wholesale liquor distributor; or retail
20 department store).

21 (b) The statement required by subdivision (a) shall also
22 designate, as the agent of the corporation for the purpose of service
23 of process, a natural person residing in this state or a corporation
24 that has complied with Section 1505 and whose capacity to act as
25 the agent has not terminated. If a natural person is designated, the
26 statement shall set forth the person's complete business or
27 residence street address. If a corporate agent is designated, no
28 address for it shall be set forth.

29 (c) The statement required by subdivision (a) shall be available
30 and open to the public for inspection. The Secretary of State shall
31 provide access to all information contained in the statement by
32 means of an online database.

33 (d) In addition to any other fees required, a foreign corporation
34 shall pay a five-dollar (\$5) disclosure fee upon filing the statement
35 required by subdivision (a). One-half of the fee shall be utilized
36 to further the provisions of this section, including the development
37 and maintenance of the online database required by subdivision
38 (d), and one-half shall be deposited into the Victims of Corporate
39 Fraud Compensation Fund established in Section 2280.

(e) Whenever any of the information required by subdivision (a) is changed, the corporation may file a current statement containing all the information required by subdivisions (a) and (b). In order to change its agent for service of process or the address of the agent, the corporation shall file a current statement containing all the information required by subdivisions (a) and (b). Whenever any statement is filed pursuant to this section, it supersedes any previously filed statement and the statement in the filing pursuant to Section 2105.

(f) Subdivisions (c), (d), (f), and (g) of Section 1502 apply to statements filed pursuant to this section, except that “articles” shall mean the filing pursuant to Section 2105, and “corporation” shall mean a foreign corporation.

SEC. 4. Chapter 22.5 (commencing with Section 2280) is added to Division 1 of Title 1 of the Corporations Code, to read:

CHAPTER 22.5. VICTIMS OF CORPORATE FRAUD COMPENSATION
FUND

2280. The Victims of Corporate Fraud Compensation Fund is hereby established in the State Treasury. The fund shall be administered by the Secretary of State for the sole purpose of providing restitution to the victims of a corporate fraud. *The Secretary of State shall adopt regulations in furtherance of the administration of this chapter.* Notwithstanding Section 13340 of the Government Code, the money in the fund is continuously appropriated to the Secretary of State for the purposes authorized by this chapter.

2281. As used in this chapter:

(a) “Application” means a request for payment from the fund submitted to the Secretary of State pursuant to this chapter.

(b) “Claimant” means an aggrieved person who resides in the state at the time of the fraud and who submits an application pursuant to this chapter.

(c) “Complaint,” for the purpose of an application based on a criminal restitution order, means the facts of the underlying transaction upon which the criminal restitution order is based.

(d) “Corporation” ~~includes means a domestic corporation and~~ corporation as defined by Section 162 or 2509 or a foreign

1 ~~corporations~~ corporation that is qualified to transact business in
2 California pursuant to Section 2105.

3 (e) “Court of competent jurisdiction” means a small claims,
4 municipal, or superior court of any state, or a United States district
5 court or United States bankruptcy court.

6 (f) “Final judgment” means a judgment, arbitration award, or
7 criminal restitution order for which the period for appeal has
8 expired, enforcement of which is not barred by the order of any
9 court or by any statutory provision, and which has not been
10 nullified or rendered void by any court order or statutory provision.
11 Final judgments shall include, ~~but are not limited to~~, each of the
12 following:

13 (1) Any findings of fact, conclusions of law, jury verdicts, jury
14 special verdicts, statements of decision, memorandum decisions,
15 or any other indication by a court or jury, as the case may be, of
16 its decision and the reasons for the decision.

17 (2) If the matter was submitted to arbitration, a copy of the
18 arbitration decision and any other documentation supporting the
19 arbitration award. An arbitration award that includes findings of
20 fact and conclusions of law rendered in accordance with the rules
21 established by the American Arbitration Association or another
22 recognized arbitration body, and in accordance with Sections 1280
23 to 1294.2, inclusive, of the Code of Civil Procedure where
24 applicable, and where the arbitration award has been confirmed
25 and reduced to judgment pursuant to Section 1287.4 of the Code
26 of Civil Procedure.

27 (3) A criminal restitution order issued pursuant to subdivision
28 (f) of Section 1202.4 of the Penal Code or Section 3663 of Title
29 18 of the United States Code. An application for payment from
30 the fund that is based on a criminal restitution order shall comply
31 with all of the requirements of this chapter.

32 (g) “Fund” means the Victims of Corporate Fraud Compensation
33 Fund created by Section 2280.

34 (h) “Judgment,” for purposes of an application based on a
35 criminal restitution order, means the criminal restitution order.

36 2282. (a) When an aggrieved person obtains a final judgment
37 in a court of competent jurisdiction against a corporation based
38 upon the corporation’s fraud, misrepresentation, or deceit, made
39 with intent to defraud, the aggrieved person may, upon the
40 judgment becoming final, file an application with the Secretary of

1 State for payment from the fund, within the limitations specified
2 in Section 2289, for the amount unpaid on the judgment that
3 represents an actual and direct loss *and any compensatory damages*
4 *awarded* to the claimant in the transaction, *excluding punitive*
5 *damages*.

6 (b) The application shall be delivered in person or by certified
7 mail to the Secretary of State not later than 18 months after the
8 judgment has become final.

9 (c) The application shall be made on a form prescribed by the
10 Secretary of State, shall contain a statement that the information
11 provided is true and accurate to the best of the claimant's belief,
12 and shall include each of the following:

13 (1) *The name and address of the claimant.*

14 ~~(1)~~

15 (2) If the claimant is represented by an attorney *for the*
16 *application*, the name, business address, and telephone number of
17 the attorney. If the claimant is not ~~being~~ represented by an attorney
18 ~~in the filing of~~ *for* the application, a telephone number where the
19 claimant can be reached during regular business hours shall be
20 included.

21 (3) *The name and address of the corporation.*

22 ~~(2)~~

23 (4) The identification of the final judgment, the amount of the
24 claim, and an explanation of the claim's computation.

25 ~~(3)~~

26 (5) A detailed narrative statement of the facts in explanation of
27 the allegations of the complaint upon which the underlying
28 judgment is based. A copy of a judgment that specifies the facts
29 of the allegations of the complaint shall be deemed to satisfy
30 compliance with the requirements prescribed in this paragraph.

31 ~~(4)~~

32 (6) Each of the following representations by, and information
33 pertaining to, the claimant:

34 (A) That he or she is not a spouse of an employee of the
35 corporation nor a personal representative of the spouse.

36 (B) That he or she has complied with all of the requirements of
37 this chapter.

38 (C) That the judgment underlying the claim meets the
39 requirements of Section 2282.

1 (D) A description of searches and inquiries conducted by or on
2 behalf of the claimant with respect to the corporation's assets liable
3 to be sold or applied to satisfaction of the judgment. A court's
4 determination or finding of the corporation's insolvency or lack
5 of assets to pay the claimant shall be deemed to satisfy the
6 requirements prescribed in this subparagraph.

7 (E) That the underlying judgment and debt have not been
8 discharged in bankruptcy, or the underlying judgment is statutorily
9 nondischargeable, or, in the case of a bankruptcy proceeding that
10 is open at or after the time of the filing of the application, that the
11 judgment and debt have been declared to be nondischargeable.

12 (F) *A copy of the final judgment and a copy of the civil*
13 *complaint upon which the judgment for intentional fraud was*
14 *issued. If one or more amendments or amended complaints were*
15 *filed, a copy of all amendments and all prior versions of the*
16 *complaint shall be submitted by the claimant.*

17 ~~(F)~~

18 (G) That the application was mailed or delivered to the Secretary
19 of State no later than 18 months after the underlying judgment
20 became final.

21 ~~(d) The~~ (1) *Notwithstanding paragraph (2), the Secretary of*
22 *State shall not condition an award of payment from the fund upon*
23 *a claimant providing any additional information or documents*
24 *other than those prescribed in this section.*

25 (2) *If the final judgment in favor of the claimant was by default,*
26 *stipulated, a consent judgment, or pursuant to Section 594 of the*
27 *Code of Civil Procedure or if the action against the corporation*
28 *was defended by a trustee in bankruptcy, the Secretary of State*
29 *may request additional documents and information from the*
30 *claimant to determine whether the claim is valid.*

31 (e) The Secretary of State shall include with the application
32 ~~form detailed instructions with respect to documentary evidence,~~
33 ~~pleadings, court rulings, the products of discovery in the underlying~~
34 ~~litigation, and a notice to the applicant claimant of his or her~~
35 ~~obligation to protect the underlying judgment from discharge in~~
36 ~~bankruptcy, to be appended to the application.~~

37 2283. (a) If the Secretary of State determines that the
38 application, as submitted by the claimant, fails to comply
39 ~~substantially~~ with the requirements of Section 2282, the Secretary

1 of State shall, within 15 days after receipt of the application, mail
2 an itemized list of deficiencies to the claimant.

3 (b) The time within which the Secretary of State is required to
4 act under Section 2284 shall be measured from the date of receipt
5 by the Secretary of State of an application. In the event of an
6 irreconcilable dispute between the claimant and the Secretary of
7 State on the question of whether the application is complete, the
8 claimant may immediately file the claim with the court pursuant
9 to Section 2287.

10 2284. (a) The Secretary of State shall render a final written
11 decision on the application within 90 days after a completed
12 application has been received unless the claimant agrees in writing
13 to extend the time within which the Secretary of State may render
14 a decision.

15 (b) The Secretary of State may deny or grant the application or
16 may enter into a compromise with the claimant to pay less in
17 settlement than the full amount of the claim. If the claimant refuses
18 to accept a settlement of the claim offered by the Secretary of
19 State, the written decision of the Secretary of State shall be to deny
20 the claim. Evidence of settlement offers and discussions between
21 the Secretary of State and the claimant shall not be competent
22 evidence in judicial proceedings undertaken by the claimant
23 pursuant to Section 2287.

24 2285. (a) The Secretary of State shall give written notice of a
25 decision rendered with respect to the application to the claimant.

26 (b) If the application is denied, the notice to the claimant shall
27 include the following statement:

28
29 “Claimant’s application has been denied. If the claimant wishes
30 to pursue the application in court, the claimant shall file the
31 ~~application~~ *petition* as follows in a superior court of this state not
32 later than six months after receipt of this notice. If the underlying
33 judgment is a California state court judgment, the ~~application~~
34 *petition* shall be filed in the court in which the underlying judgment
35 was entered. If the underlying judgment is not a California state
36 court judgment or is a federal court judgment, the ~~application~~
37 *petition* shall be filed in any superior court of any county within
38 California that would have been a proper venue if the underlying
39 lawsuit had been filed in a California state court, or in the Superior
40 Court of the County of Sacramento.”

1
2 2286. (a) The Secretary of State shall give notice, as prescribed
3 in subdivision (b), to the corporation that the Secretary of State
4 has made a decision to award funds to the claimant and shall
5 provide a copy of the decision to the corporation.

6 (b) The notice served upon the corporation shall include the
7 following statement:

8
9 “NOTICE: Based upon a judgment entered against (Name of
10 Corporation) in favor of (Name of Claimant), an application for
11 payment from the Victims of Corporate Fraud Compensation Fund
12 has been made to the Secretary of State.

13 The decision of the Secretary of State on the application of
14 (Name of Claimant) is to pay \$ (Dollar Amount) from the Victims
15 of Corporate Fraud Compensation Fund. A copy of that decision
16 is enclosed.

17 Pursuant to Section-2280 2293 of the Corporations Code, the
18 Secretary of State has assumed the claimant’s interest in the
19 judgment against the corporation and has the authority to pursue
20 damages against the corporation’s officers, *directors*, and
21 *shareholders* for the judgment amount paid to the claimant.”
22

23 2287. (a) A claimant against whom the Secretary of State has
24 rendered a decision denying an application may, within six months
25 after the mailing of the notice of the denial, file a verified
26 ~~application~~ *petition* in superior court for an Order Directing
27 Payment Out of the Victims of Corporate Fraud Compensation
28 Fund based upon the grounds set forth in the application to the
29 Secretary of State. If the underlying judgment is a California state
30 court judgment, the ~~application~~ *petition* shall be filed in the court
31 in which the underlying judgment was entered. If the underlying
32 judgment is not a California state court judgment or is a federal
33 court judgment, the ~~application~~ *petition* shall be filed in the superior
34 court of any county within California that would have been a proper
35 venue if the underlying lawsuit had been filed in a California state
36 court, or in the Superior Court of the County of Sacramento.

37 (b) A copy of the ~~application~~ *petition* shall be served upon the
38 Secretary of State by the claimant. A certificate or affidavit of
39 service shall be filed by the claimant with the court. Service on

1 the Secretary of State may be made by ~~certified~~ mail addressed to
2 the Secretary of State's office.

3 (c) The Secretary of State shall have 30 days after being served
4 with the ~~application~~ *petition* in which to file a written response.
5 The court shall thereafter set the matter for hearing upon the
6 petition of the claimant. The court shall grant a request of the
7 Secretary of State for a continuance of as much as 30 days and
8 may, upon a showing of good cause by any party, continue the
9 hearing as the court deems appropriate.

10 (d) The claimant shall have the burden of proving compliance
11 with the requirements of Section 2282 by competent evidence at
12 an evidentiary hearing. The claimant shall be entitled to a de novo
13 review of the merits of the application as contained in the
14 administrative record.

15 (e) At any time during the court proceedings, the ~~application~~
16 *petition* may be compromised or settled by the Secretary of State
17 and the court shall, upon joint petition of the claimant and the
18 Secretary of State, issue an order directing payment out of the
19 fund.

20 2288. (a) Whenever the court proceeds upon an ~~application~~ *a*
21 *petition* under Section 2287, it shall order payment out of the fund
22 only upon a determination that the aggrieved party has a valid
23 cause of action within the purview of Section 2282, and has
24 complied with Section 2287.

25 (b) The Secretary of State may defend any action on behalf of
26 the fund and shall have recourse to all appropriate means of defense
27 and review, including examination of witnesses and the right to
28 relitigate any issues that are material and relevant in the proceeding
29 against the fund and that were determined in the underlying action
30 on which the judgment in favor of the ~~applicant~~ *claimant* was
31 based. The claimant's judgment shall create a rebuttable
32 presumption of the fraud, misrepresentation, or deceit by the
33 corporation, which presumption shall affect the burden of
34 producing evidence.

35 (c) The Secretary of State may move the court at any time to
36 dismiss the ~~application~~ *petition* when it appears there are no triable
37 issues and the petition is without merit. The motion may be
38 supported by affidavit of any person or persons having knowledge
39 of the facts, and may be made on the basis that the petition, and
40 the judgment referred to therein, does not form the basis for a

1 meritorious recovery claim within the purview of Section 2282;
2 provided, however, the Secretary of State shall give written notice
3 at least 10 days before the motion to the claimant.

4 2289. Notwithstanding any other provision of this chapter and
5 regardless of the number of persons aggrieved ~~involved in a~~
6 ~~transaction~~ *in an instance of corporate fraud, or misrepresentation*
7 *or deceit resulting in a judgment meeting the requirements of*
8 Section 2282, or the number of judgments against a corporation,
9 the liability of the fund shall not exceed the following amounts:

10 (a) For applications for payment from the fund filed before
11 January 1, 2013, twenty thousand dollars (\$20,000) for any one
12 action by a corporation.

13 (b) For applications for payment from the fund filed on or after
14 January 1, 2013, fifty thousand dollars (\$50,000) for any one action
15 by a corporation.

16 (c) When multiple corporations are involved in ~~a transaction~~
17 *the same event or series of events that are the basis of the*
18 *claimant's final judgment* and the conduct of two or more of the
19 corporations results in a judgment meeting the requirements of
20 Section 2282, the claimant may seek recovery from the fund based
21 on the judgment against any of the corporations, subject to the
22 limitations of subdivisions (a) and (b).

23 (d) When multiple claimants are involved in a corporate fraud,
24 or in misrepresentation or deceit by a corporation, resulting in a
25 judgment meeting the requirements of Section 2282, each claimant
26 may seek recovery from the fund individually, subject to the
27 limitations of subdivisions (a) and (b).

28 (e) *Claimants who are spouses, registered domestic partners,*
29 *or persons other than natural persons, that have obtained an*
30 *eligible final judgment shall be considered one claimant.*

31 2290. If, at any time, the money deposited in the fund is
32 insufficient to satisfy any duly authorized ~~claim~~ *award* or portion
33 thereof, the Secretary of State shall, when sufficient money has
34 been deposited in the fund, satisfy the unpaid ~~claims~~ *awards* or
35 portions thereof, in the order that the ~~claims~~ *awards* or portions
36 thereof were originally filed, plus accumulated interest at the rate
37 of 4 percent per year.

38 2291. Any sums received by the Secretary of State pursuant
39 to any provisions of this ~~section~~ *chapter* shall be deposited in the
40 State Treasury and credited to the fund.

1 2292. It shall be unlawful for any person or the agent of any
2 person to file with the Secretary of State any notice, statement, or
3 other document required under the provisions of this chapter ~~which~~
4 *that* is false or untrue or contains any willful, material misstatement
5 of fact. That conduct shall constitute a public offense punishable
6 by imprisonment in a county jail for a period of not more than one
7 year or a fine of not more than one thousand dollars (\$1,000), or
8 both.

9 2293. When the Secretary of State has paid from the fund any
10 sum to the claimant, the Secretary of State shall be subrogated to
11 all of the rights of the claimant and the claimant shall assign all of
12 his or her right, title, and interest in the judgment to the Secretary
13 of State and any amount and interest so recovered by the Secretary
14 of State on the judgment shall be deposited in the fund.

15 2294. *The Secretary of State shall not make any award to a*
16 *claimant from the fund if the claimant has received payment from*
17 *any of the state's other restitution funds.*

18 ~~2294.~~

19 2295. The failure of an aggrieved person to comply with all of
20 the provisions of this chapter shall constitute a waiver of any rights
21 hereunder.

22 SEC. 5. No reimbursement is required by this act pursuant to
23 Section 6 of Article XIII B of the California Constitution because
24 the only costs that may be incurred by a local agency or school
25 district will be incurred because this act creates a new crime or
26 infraction, eliminates a crime or infraction, or changes the penalty
27 for a crime or infraction, within the meaning of Section 17556 of
28 the Government Code, or changes the definition of a crime within
29 the meaning of Section 6 of Article XIII B of the California
30 Constitution.